



Hog Margin Outlook

Meeting Your Marketing Needs

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Wednesday, September 28, 2011

Hog Prices: ↓ ↑ Soymeal:
 ↔ Corn: ↓ Cdn Dollar: ↓

US Slaughter	
428,000	–Tuesday's
416,000	–Tuesday's (year ago)
Western Corn Belt	\$88.44
Daily National Price	\$91.71
Daily Sig3(M.Leaf)	\$166.68
Daily Sig4(M.Leaf)	\$167.37
4-Month Fwd Avg	\$152.67
#1 Export Sows (+500lbs)	\$54.00cwt
B of C Ex. Rate (Noon)	
\$1.0282 CAD / \$0.9725 US	
Cash Prices: Week Ending September 23rd, 2011	
74.28/163.75	Signature #3
72.12/158.99	Signature #4
72.83/160.56	h@ms Cash
71.11/156.77	Hylife
ISO Weans \$16-41US	
Feeder Pigs \$27-42US	

Forward contract prices opened mixed this morning. U.S. cash markets are trading near steady, but packers are still on pace for yet another increase to this week's slaughter when compared to either of the last two weeks. Pork prices continue to hold firm, with support coming from firmer ham prices as wholesalers attempt to stock up for the holidays. Most of the focus in hog market is on the USDA's 3rd Quarter Hogs and Pigs report that is to be released this afternoon. Trade estimates for the major categories as compared to last year's supply are as follows: All Hogs and Pigs – 100.5%, Kept for Breeding – 100.1%, Kept for Marketing – 100.5%. Traders will be looking for confirmation of the abundant supplies seen over the last two weeks, and some perspective on how long the surge in supplies will be with us. The Canadian Dollar was supported in yesterday's trade by ideas that Europe would take steps to trigger an orderly default in Greece's debt as well as develop a plan to recapitalize Europe's banks.

Canadian delivered soybean prices opened steady this morning. The break in soybean prices looks to positively influence consumption amid global recession concerns. The forecast is for drier conditions and thus favourable for harvest in the next few weeks. Chinese traders will be absent as it is a national holiday there next week.

Canadian delivered corn prices opened lower this morning. In the last nine days South Korea has purchased 661,000 metric tons of corn, taking advantage of the lower corn prices. Supply is still uncertain, however Friday's USDA quarterly report will provide an estimate of how much corn was in storage at the beginning of September. Harvest weather is looking ideal for the next couple of weeks.

	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Fixed Forward Range (Maple Leaf Sig. #3)			144.98	146.01	146.80	158.57	160.08	162.30	174.71	173.77
			151.18	150.71	156.69	161.86	161.49	171.23	178.94	179.89
(Maple Leaf Sig. #4)			146.95	149.68	150.54	158.93	159.66	161.53	171.10	174.56
			152.04	151.68	155.65	159.66	161.67	168.27	176.93	178.57
Soymeal Delivered	370	365	365	365	372					
Corn Delivered	284	284								

This information is intended to help you make pricing decisions. Opinions given do not guarantee any future events or performance. Any unauthorized distribution of the HMO is prohibited without the consent of the author.



Rothsay Animal Vegetable Feed Fat

\$935 tonne ↓ (2 – 19 mt)

To place your order call 1-866-768-4729

